



Rep. Natalie A. Manley

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LRB099 04484 HLH 33937 a

1 AMENDMENT TO HOUSE BILL 675

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 675 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Income Tax Act is amended by  
5 changing Section 302 as follows:

6 (35 ILCS 5/302) (from Ch. 120, par. 3-302)

7 Sec. 302. Compensation paid to nonresidents.

8 (a) In general. For taxable years beginning prior to  
9 January 1, 2015, and for all taxable years for members of  
10 professional athletic teams, all ~~All~~ items of compensation paid  
11 in this State (as determined under Section 304(a)(2)(B)) to an  
12 individual who is a nonresident at the time of such payment and  
13 all items of deduction directly allocable thereto, shall be  
14 allocated to this State.

15 For taxable years beginning on or after January 1, 2015:

16 (1) all items of compensation of a nonresident

1 individual who is a member of a professional athletic team,  
2 and all items of deduction directly allocable thereto,  
3 shall be allocated to this State as determined under  
4 Section 304(a)(2)(B)(iv); and

5 (2) the amount of all items of compensation of all  
6 other nonresident individuals, and of all items of  
7 deduction directly allocable thereto, allocated to this  
8 State shall be the portion of the individual's total  
9 compensation for services performed for his or her employer  
10 during the taxable year which the number of working days  
11 spent within this State performing services for the  
12 employer in any manner during the taxable year bears to the  
13 total number of working days spent both within and without  
14 this State during the taxable year. For purposes of this  
15 paragraph:

16 (A) A "working day" is any day on which the  
17 employee performs duties on behalf of the employer.  
18 Weekends, vacation days, sick days, and holidays  
19 (whether or not paid) are not working days unless the  
20 employee is required by the employer to perform some  
21 duties on that day.

22 (B) A working day is spent in this State if:

23 (i) a greater amount of time is spent by the  
24 employee in this State during that day performing  
25 duties on behalf of the employer (other than  
26 travelling) than is spent performing duties in any

1           other State; or

2                   (ii) the only work performed by the employee on  
3           behalf of the employer on that day is travelling to  
4           a destination within this State, and the employee  
5           arrives on that day.

6           (C) A working day is not spent in this State if the  
7           only activity engaged in by the employee on behalf of  
8           the employer in this State on that day is travelling  
9           from or through this State to a destination outside  
10          this State.

11           (b) Reciprocal exemption. The Director may enter into an  
12 agreement with the taxing authorities of any state which  
13 imposes a tax on or measured by income to provide that  
14 compensation paid in such state to residents of this State  
15 shall be exempt from such tax; in such case, any compensation  
16 paid in this State to residents of such state shall not be  
17 allocated to this State. All reciprocal agreements shall be  
18 subject to the requirements of Section 2505-575 of the  
19 Department of Revenue Law (20 ILCS 2505/2505-575).

20           (c) Cross references.

21                   (1) For allocation of amounts received by nonresidents  
22 from certain employee trusts, see Section 301(b)(2).

23                   (2) For allocation of compensation by residents, see  
24 Section 301(a).

25           (Source: P.A. 90-491, eff. 1-1-98; 91-239, eff. 1-1-00.)

1           Section 99. Effective date. This Act takes effect upon  
2    becoming law.".